

**Amendment No. 1 to SB2439**

**Henry  
Signature of Sponsor**

**AMEND Senate Bill No. 2439**

**House Bill No. 2274\***

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

by adding the following new sections immediately preceding the last section and by renumbering the subsequent section accordingly:

SECTION \_\_\_\_\_. Tennessee Code Annotated, Section 41-24-102, is amended by adding the following new definition:

(6) "Tennessee department of correction liaison" means any person appointed by the commissioner to act as the commissioner's on-site designee so that powers and duties not delegable to the contractor shall be carried out under the authority of the state.

SECTION \_\_\_\_\_. Tennessee Code Annotated, Section 41-24-104 is amended by deleting subdivision (b)(1) in its entirety and substituting instead the following:

(b)(1) Any such contract shall divide the total contract price equally for each year covered by the terms of the contract. Any such contract may provide for an annual contract price and/or cost adjustment provided that any such adjustments may be made only once each year effective upon the anniversary of the effective date of the contract. If any adjustment is made pursuant to terms of the contract, it shall be applied to total payments made to the contractor for the previous contract year and shall not exceed the percent of change in the average consumer price index (all items-city average) which is published by the United States department of labor statistics, between that figure for the latest calendar year and the next previous calendar year.

SECTION \_\_\_\_\_. Tennessee Code Annotated, Section 41-24-104 is amended by deleting subdivision (c)(2) in its entirety and substituting instead the following:

(c)(2) No proposal shall be accepted unless:

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(A) Such proposal offers a level and quality of services which are at least equal to those which would be provided by the state in accordance with the provisions of Tennessee Code Annotated, Section 41-24-105; and

(B) The cost of the private operation, and all costs to the state to monitor the private operation, shall be at least five percent (5%) less than the state's cost for a comparable operation in accordance with the provisions of Tennessee Code Annotated, Section 41-24-105.

SECTION \_\_\_\_\_. Tennessee Code Annotated, Section 41-24-110, is amended by designating the existing language as subsection (a) and by adding the following as a new subsection (b):

(b) The commissioner shall appoint an on-site Tennessee department of correction liaison to carry out those non-delegable duties requiring action on the site.

AND FURTHER AMEND by deleting SECTION 2 of the printed bill and substituting instead the following:

SECTION 2. Tennessee Code Annotated, Section 41-24-109, is amended by adding the following language at the end of the section:

The comptroller of the treasury shall audit the performance of the department of correction and the private contractor to ensure that the state is receiving the quality and quantity of services as described in the contract based upon the performance criteria, the monitoring process, and any applicable sanctions that might be incurred. The comptroller shall report annually or as requested to the select oversight committee on corrections.